

# NOMINATION OF MARTHA F. RICHE

Y 4. G 74/9: S. HRG. 103-922

Nomination of Martha F. Riche, S.Hr...

## HEARING BEFORE THE COMMITTEE ON GOVERNMENTAL AFFAIRS UNITED STATES SENATE ONE HUNDRED THIRD CONGRESS SECOND SESSION ON

NOMINATION OF MARTHA F. RICHE TO BE DIRECTOR, BUREAU  
OF THE CENSUS

OCTOBER 4, 1994

Printed for the use of the Committee on Governmental Affairs



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## NOMINATION OF MARTHA F. RICHE TO BE DIRECTOR, BUREAU OF THE CENSUS

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TUESDAY, OCTOBER 4, 1994

U.S. SENATE,  
COMMITTEE ON GOVERNMENTAL AFFAIRS,  
*Washington, DC.*

The Committee met, pursuant to notice, at 9:35 a.m., in room 342, Dirksen Senate Office Building, Hon. Joseph I. Lieberman presiding.

Present: Senators Lieberman, Akaka, and Cochran.

Staff Present: Doris Clanton, Deborah Cohen (Senator Glenn); Susanne Marshall, John Mercer (Senator Roth); and David McMillan (Senator Lieberman).

### OPENING STATEMENT OF SENATOR LIEBERMAN

Senator LIEBERMAN. The hearing will come to order.

Good morning. It is my pleasure to welcome everyone here. The Chairman of the Governmental Affairs Committee, Senator Glenn of Ohio, has asked me to chair today's full Committee hearing on the nomination of Martha Farnsworth Riche to be Director of the U.S. Bureau of the Census.

Dr. Riche graduated from the University of Michigan with bachelor's and master's degrees in economics and received her Ph.D. from Georgetown. She has worked as an economist at the Bureau of Labor Statistics, as an editor for *American Demographics*, and as Director of Policy Studies of the Population Reference Bureau.

As I look at her resume, it seems to me that she has a serious handicap in being considered for this position which I hope she can overcome, which is that she is extraordinarily well-qualified. [Laughter.]

But I have optimism that she will overcome that handicap.

The Census Bureau, as I imagine everyone in this room knows, is one of the oldest and most respected statistical agencies in the Federal Government. It is, in fact, the only one with a function that has been enshrined in the Constitution. But we are at a point in time where that perception is changing and that presents a challenge to Dr. Riche as she assumes the leadership of the Bureau.

At one time, the Bureau labored in not only uniqueness but in relative obscurity, however no longer is it the only agency with expertise in statistics and surveys. Much of what it does is watched carefully by the media and the public.

It seems to me that there are two fundamental challenges to the Census Bureau as we move into the 21st century, and I say this based on what I have observed and heard and what members of my

staff have observed and heard. First, the agency has to become customer driven. Secondly, the agency should open its doors to input on its own goals and performance. Of course, these two are related.

In areas of endeavor that the Census Bureau has undertaken, there is some feeling from some of the customers of the Bureau that they have been ignored. Other agencies hiring the Census Bureau to conduct surveys complain to us that cost information often lacks specifics and the information collected isn't always what they ask for. Some data users complain that products are designed for the convenience of the producer, not the customer. Respondents complain that it often seems that little is done to make their burden easier.

Similarly, much of what the Census Bureau does, whether this is intentional or not, strikes people as being done behind closed doors. For instance, in making the decision on adjusting population estimates for the undercount, the Bureau apparently sought no outside involvement. When Congress objected, the Bureau scheduled a 3-week period for comment, which happened to be the 3 weeks of the August recess.

The Census Bureau is now developing plans for a large survey that could replace the long form. The survey could, of course, consume most of the household surveys that are now sponsored by the Federal Government, but the agencies that sponsor those surveys feel that they are not being included in the planning, and the small towns that only get information about their municipality once every ten years are also not being included.

So drawing the customer into the planning process of these products, whether they are surveys or reports, I think will produce or at least have a higher probability of producing what the customer wants and needs and also will dispel this image that some have of the Census Bureau's isolation.

Dr. Riche, I know from your answers to the pre-hearing questions and from the meeting that we had together that you understand these challenges and share these goals and I think we are really fortunate to have a person of your caliber willing to assume this position. The breadth of your background is really a bonus, for the breadth of your responsibilities, as you know, is imposing, from economics to agriculture to population censuses, from surveys to statistical techniques of estimation, from printed reports to CD-ROMs.

I really wish you the best of luck at this moment in the history of the Census Bureau, when I have a sense that you may well reinvent it. I look forward to working with you in that endeavor.

I would like to call you now to the stand, if you would. I know that Congressman Sawyer of Ohio will be coming by at some point to introduce you. We will assume for the record that he has, and I would therefore formally welcome you.

Let me note for the record at this time, the Committee rules mandate that an inquiry be conducted into each nominee's experience, qualifications, and suitability to serve in the position for which the President has nominated the individual. In this regard, the Committee has received from you a financial statement and detailed information. The nominee has also responded in writing to a number of pre-hearing questions.

Copies of this biographical information and responses to pre-hearing questions will be placed in the record as part of the hearing. The nominee's financial statement will also be available for public inspection in the Committee's office.

The Committee staff has interviewed the nominee. In addition, the staff has reviewed the opinion letters regarding the nominee from both the Office of Government Ethics and the designated agency ethics offices.

Finally, Senator Glenn and Senator Roth, the Chairman and ranking member respectively, have reviewed the FBI investigation reports of the nominee.

I will now cease and desist and give a warm welcome to Congressman Sawyer, who, of course, for quite a while has been in a real leadership role in the House on census matters. Thank you for coming here to introduce this gifted nominee.

#### **STATEMENT OF THE HON. TOM SAWYER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO**

Mr. SAWYER. Thank you very much, Mr. Chairman. The privilege and the pleasure is entirely mine. I am grateful to you and Senator Glenn for your timely consideration of this nomination, and I am deeply flattered that Dr. Riche asked me to be here this morning.

This day has been a long time coming, and it could not come at a more pivotal time. Your willingness to move ahead with this confirmation is really important before this adjournment.

The really fortunate part is that we have a candidate today who is worth waiting for. I suppose I could go through all of the data that you see in a vitae, the degrees from the University of Michigan, the Ph.D. from Georgetown, and the time at *American Demographics* or her work at the Population Reference Bureau, but I think really the thing for me to emphasize today is that she is knowledgeable, she is straightforward, she is well respected at a time when all of those qualities are enormously important. She has the kind of vision that the Census Bureau needs and the policy skills to carry out the components of that vision.

I think most importantly, she really cares about the future of the Census Bureau, not for just what it does but for what it can do at a time of enormous change in our country. The diverse programs, the role in the Federal statistical system that needs to evolve as the Nation itself is changing, perhaps more compellingly than at any time in a century, is really what is at stake in all of this.

All of that comes together to represent Marty Riche's understanding that this is an opportunity to set a new direction but it is an opportunity that is rapidly going to escape us if we don't act on it.

The Bureau that Dr. Riche would take over is one that is in a pivotal time in preparation for 2000. The preparation for the three test sites next year is in high gear. The kind of design that is chosen as a result of those tests will, I think, in many ways define our ability to put together the strong support that the Census needs to enjoy among its diverse stakeholders, and perhaps even more important, the sense of confidence among the public that has been fragile, at best, over the course of the last several years.

That job isn't going to be easy. The work the Bureau does will really determine the success of 2000 and beyond and our ability to measure with evolving tools a Nation that is itself evolving as we try to measure it. It is no mean feat. It is like trying to change the tire on the car as it is going down the turnpike. It requires some agility.

I think that that is the kind of agility that this nominee brings, a strong voice and a real steady hand, a committed leader to guide the Bureau through this period of change. I am confident that Marty Riche can provide that kind of leadership, and I am grateful for the chance to speak on her behalf today.

Senator LIEBERMAN. Thank you, Congressman. You are very gracious to come over and introduce the nominee. You are right on target, I think, and are very insightful in what you have had to say. I appreciate your presence.

Mr. SAWYER. Thank you, sir.

Senator LIEBERMAN. Thank you.

Dr. Riche, I would now ask you to stand, as is the custom of the Committee, and raise your right hand.

Do you swear that the testimony you are about to give in this hearing will be the truth, the whole truth, and nothing but the truth, so help you, God?

Ms. RICHE. I do.

Senator LIEBERMAN. Thank you very much. We would now welcome any statement that you might want to make at this time.

#### **TESTIMONY OF MARTHA F. RICHE, TO BE DIRECTOR, BUREAU OF THE CENSUS**

Ms. RICHE. Thank you, Senator Lieberman, for the opportunity to appear before you as you consider my nomination.

I am certainly deeply honored to have been chosen for this position. President Clinton and his administration know that this is a time of rapid and profound change, as Congressman Sawyer mentioned, and I think they are committed to leading Americans into making a wise and productive response to that change.

To that end, I think we can only understand the nature of change to the extent that we measure its dimensions accurately and we can only make good decisions in response to change to the extent that we measure it carefully.

President Clinton is also committed to ensuring that all Americans have the opportunity to share the benefits of change. I endorse this commitment. In 1961, I received a Master of Arts degree in economics from the University of Michigan. I received that degree with honors. Yet because I was a woman, only one employer granted me an interview that spring and it was the Federal Government.

So 33 years ago last month, when my classmates went into management positions at prestigious institutions and corporations, I came to Washington, to the Bureau of Labor Statistics, and here I am nominated 33 years later to direct the Census Bureau, the pinnacle of Federal statistical appointments. I feel that in my professional lifetime I have witnessed a revolution of inclusion and I have certainly experienced it.

I think statistics are a tool that puts a change like inclusion into focus, and the statistics the Census Bureau produces really are a socio-economic map of the country. Each American, each one of us, should be able to find our place on that map, to compare ourselves with others and with where we would like to be. And accurate, reliable statistics are what we need to separate reality from perception, perceptions that are sometimes outdated, sometimes just plain wrong, and accurate and reliable statistics thus truly represent us.

As you know, I spent the 1980s using statistics for business purposes and most frequently using them to point out unserved or underserved consumer markets. One simple example: Not so long ago, a woman who walked into a car dealership would commonly be met by the suggestion that she return home for her husband. I actually experienced that myself, and many women did. Businesses that manufactured cars refused to advertise in women's magazines. They thought women don't buy cars.

So those magazines got statistics together, did surveys, and showed very publicly and replicated it that women are involved in three-fourths of all car purchases and they are directly responsible for nearly half of them. That forced the industry that was relying on stereotypes to change its behavior.

Similarly, at the Population Reference Bureau, we have broken stereotypes about minorities by using Census Bureau data to show there is diversity within each minority group, that, for instance, many Asian-Americans are in poverty or that a large and growing share of African-American households are affluent.

Just a decade ago when we first got started at *American Demographics*, analyses like these were only available to people who had access to large mainframe computers and the knowledge and training to use them, but now the information age is bringing these tools to virtually everyone. Americans have become accustomed to using statistics. USA Today has statistics every morning on the front page. They have rankings of cities and States and towns, usually based on Census Bureau data, and people look there to see where they can find themselves.

Thousands of Americans have access to data bases on-line, with groups like Prodigy and America On-Line. We have a more statistically-literate population, not as literate as I might like, as the folks in this room would like, but certainly with our more educated population, people are beginning to understand things like plus or minus error statements.

And finally, Americans are making friends with the technology that helps them use statistics. Just 2 weeks ago, the Roper Organization reported that a stunning one in three Americans say they are interested in on-line computer services and interactive information. It is hard to believe that one in four Americans say they are interested in the Internet, which I think shows the excitement that the information age is bringing to people.

What I find exciting about this is that these developments give ordinary Americans the understanding and decision-making power that reliable, accurate statistics confer. Here are some examples.

In 1990, at the Population Reference Bureau, we watched minority groups analyze the 1990 census results with the same sophistication as the people who were doing the professional redistricting.

I see grassroots advocates getting hold of the census data on population and housing to study housing needs in their community as a developer would look at it for building purposes.

I have talked with churches who have talked about using and do use the data to decide whether they should move to a new neighborhood or explore a new congregation in their old neighborhood.

So I think that statistics are really becoming a much broader important tool for self-governance and I think that is an exciting development for all of us. There are folks who will denigrate statistics as boring, but nobody says that understanding is boring or that making good decisions is boring.

The decennial census and its related surveys provide the Nation with an invaluable resource, an accurate, detailed socio-economic data base that enables not just policy makers but Americans of all kinds to understand their changing world and to make decisions about it.

I hope I have made it clear that I take statistics seriously and the mission of the Census Bureau seriously. Reliable, credible statistics are one of the most important components of the infrastructure of this Government. I am honored to be charged with this great responsibility and I am very enthusiastic about the challenge of serving the American people.

I appreciate the opportunity to make a statement and would be pleased to answer any questions you or the Committee members might have.

Senator LIEBERMAN. Thank you very much, Dr. Riche, for that excellent opening statement.

It is my pleasure to welcome my friend and colleague from Hawaii, Senator Akaka. Do you have any statement you would like to make?

#### **OPENING STATEMENT OF SENATOR AKAKA**

Senator AKAKA. Mr. Chairman, I would be delighted to make a statement. I want to say aloha and good morning to Ms. Riche. I welcome you to the Committee.

Considering your background in demographics and statistical analysis, you certainly, I feel, are well suited to be Director of the Census Bureau. Your knowledge and expertise will be even more crucial as the Federal Government continues to prepare for the 2000 census.

As part of this preparation, I am sure that you are well aware that the Office of Management and Budget is currently reviewing Statistical Policy Directive 15 and the important guidelines governing racial and ethnic statistics. Nationwide hearings were held this past summer, including 2 days in Hawaii. I was pleased that an official from the Census Bureau was able to participate in the Hawaii hearings.

During this last week's confirmation hearing for Dr. Alice Rivlin, I reminded her of an issue related to the OMB's review of Directive 15 that is very important to me. I wish to reiterate to you as well my continuing mission in this regard, to have Native Hawaiians re-

classified in the same category as American Indians and Alaska Natives.

As you well know, we are currently in the same category as Asian and Pacific Islanders, yet while we are culturally Polynesian Native Hawaiians, our descendants of the aboriginal people who occupied and exercised sovereignty in the area that now constitutes the State of Hawaii.

Like the hundreds of American Indian tribes and Alaska Native groups, Native Hawaiians also have the unique political and historical relationship with the United States. I am extremely concerned about the persistent misperception by most Americans, in particular, Federal officials, that we are not native peoples of this country and that we will continue to fall through the cracks.

Native Hawaiians continue to comprise an increasingly small percentage of the Asian and Pacific Islanders category. According to the 1990 census, over 65 percent of the Asian and Pacific Islanders category were foreign-born. This means that this category is largely comprised of Asians who have immigrated to the United States.

Comparatively, only 1.3 percent of Native Hawaiians were foreign-born, according to the 1990 census. Our analysis shows a number of other areas in particular where Native Hawaiians do not fit the profile of the overall Asian and Pacific Islanders category.

My proposal, Ms. Riche, simply seeks to rightfully place Native Hawaiians in the same category as the other native peoples of this country. It does not, and I repeat does not, affect the Government-to-Government relationship which exists between federally-recognized tribes and Alaska Natives. It also does not affect the political status of Native Hawaiians. That is something we as Native Hawaiians will resolve through the legislative process.

I strongly urge that the Clinton administration use its own best judgment in evaluating this very important issue.

I have, Mr. Chairman, just one question, and before I ask, I want to commend you for this hearing and say to Ms. Riche that, as I said at the outset, you do have my support.

Here is the question. Ms. Riche, do you believe that Native Hawaiians are being misrepresented by grouping them in the Asian and Pacific Islanders category under OMB Directive 15?

Ms. RICHE. I know that the Office of Management and Budget is rethinking these categories in consultation with all the people around the country who are concerned that those categories are not appropriate.

I am very pleased to see them do that, because my personal feeling on this is that it is extremely important for people to see themselves represented. When they pick up a form and they are asked to answer something, it is important that they feel that they can find themselves in those questions. That is, I think, key to getting good data and to having the public comfortable with the census instrument.

So I am very glad that OMB has undertaken this process. I haven't heard the results of the hearings. I look forward to it, but I am glad they are doing it.

Senator AKAKA. Thank you very, very much for your response. Thank you very much, Mr. Chairman.

Senator LIEBERMAN. Thank you, Senator Akaka.

I am also glad to welcome my friend and colleague from Mississippi, Senator Thad Cochran. I wonder if he would like to make an opening statement?

### OPENING STATEMENT OF SENATOR COCHRAN

Senator COCHRAN. Mr. Chairman, thank you.

I do have a statement which I ask be printed in the record, with a few questions, if time will permit, to be submitted and answered before we act.

I am confident the witness is well qualified for this position. I have reviewed the biographical information.

I once upon a time chaired the Subcommittee that had jurisdiction over the census and I remember as we came up to the 1990 census taking, a lot of issues were raised about procedure and technology and what to do about undercounts and how you manage this and that challenge. The confidence factor is the most important, I think, and that is to instill in the American public and the agencies interested and directly affected by the census that it is a good-faith effort and our best efforts are put to making the count accurate.

No one else has the responsibility of deciding how Congress is apportioned, but this office does. It is quite an enormous amount of power and the consequences are far-reaching.

I wish you well, and we will, I am sure, continue to provide a lot of advice—[Laughter.]

Ms. RICHE. I hope so.

Senator COCHRAN [continuing]. As time goes on, more than you want, maybe more than you need. I look forward to working with you.

Thank you, Mr. Chairman.

### PREPARED STATEMENT OF SENATOR COCHRAN

Mr. Chairman, I am pleased to join you today in welcoming Dr. Riche before our Committee as we consider her nomination to serve as Director of the Census Bureau.

In 1985, while serving as Chairman of the Governmental Affairs Committee's then Subcommittee on Energy, Nuclear Proliferation and Government Processes, I had the privilege of chairing oversight hearings on the Census Bureau's planning for the 1990 Census. From that experience and with Census 2000 only a little over 5 years away, I know that the Census Bureau has underway a number of activities designed to make the 2000 Census the most accurate and complete to date.

I find it interesting that many of the issues that arose during planning for the last Census, including whether and how to adjust the Census to correct for any undercount; the design and length of the questionnaire and its burden on respondents; and how new technology may be used to improve accuracy; are also being raised as we approach Census 2000. As that date draws closer, Dr. Riche will discover there is no shortage of advice and direction that many of us in the Congress are willing to give to her as she confronts these issues.

The position of Census Director requires not only an individual with knowledge and training in statistics and demographics, but also someone with the management and leadership skills necessary to direct a very large Federal agency whose mission is unlike that of any other in the Federal Government.

No other Federal agency head is responsible for providing the data upon which Congress is apportioned, and I know she appreciates the importance of ensuring an accurate Census for that purpose. More importantly, perhaps, is the fact that the Census and the data it produces must be perceived by the public as complete and accurate. Any questions in the public's mind as to its accuracy, whether they arise from concerns about statistical adjustments or other means that may be used to "correct" the counts, will undermine public confidence in apportionment of the House and the Constitution's guarantee of equal representation.

However, the Congress has come to depend upon the Census Bureau for much more than just an accurate population count for apportionment. The detailed data compiled and published by the Bureau on everything from housing to education are used to determine where there are needs to be met and to ensure that the funds under a variety of Federal programs are allocated fairly and ultimately reach their intended recipients. Any inaccuracy in the data or its misuse by legislators and policy makers—particularly as a basis for the various Federal funding programs—can result in Federal dollars not reaching their intended recipients.

Dr. Riche's recent position with the Population Reference Bureau, her work as editor of the American Democratic magazine, and earlier as an economist at the Bureau of Labor Statistics, are all experiences that should serve her well as Director of the Census Bureau.

Mr. Chairman, I'm confident that she will do her best to make certain that the Census Bureau continues to carry out its mission so as to maintain its long-standing and well deserved reputation for accuracy, fairness, and non-partisanship.

Senator LIEBERMAN. Thank you, Senator Cochran.

We have a vote that has just gone off. Dr. Riche, I am going to just ask maybe one or two questions and then submit the rest to you in writing.

I appreciated your opening statement because it recognizes, not surprisingly to me, based on your experience, the many layers, the richness of the texture of the material that the Census Bureau works with. In one sense, viewed from one perspective, it is a very important picture of our country and measures the changes occurring in the country. Our colleague, Senator Moynihan of New York, I think appreciates that and probably uses census data more effectively and knowingly than any other elected official that I am aware of.

But as Senator Cochran indicates, these numbers also have real consequences, beginning with how Congress is apportioned and then going to all of the various programs that are affected by the numbers you report.

As you know, one of the most controversial issues surrounding the census now is the adjustment for the so-called undercount. I gather that you will be testing methods for making the adjustment in the 1995 tests and I just wanted to ask you what plans you have for independent evaluations of those methods.

Ms. RICHE. Actually, no one has asked me that yet, including the people at the Department of Commerce, so I am just winging it at this moment.

My intention would be to ask the National Academy of Sciences again to do an independent evaluation. I think to deal with the confidence issue that Senator Cochran raised, I think it is very important to have openness, that everyone can see what is being done and we can tell them over and over again until they are tired of hearing what we are doing.

I think an independent evaluation, advisory committees, people working with us, as many ways as we can get the word out as possible, but very much—the National Academy just issued a report a couple of weeks ago that was very helpful. I haven't had a chance to study it yet but I have looked at the conclusions. I know many of the people who are working on it. They are the best minds in the country.

I am really grateful that they were willing to give of their time to this issue and I hope they will continue to do so because that is what gives me the confidence to go forward, that it is not just the folks out in Suitland, Maryland, or the people downtown in the

Department of Commerce but it is all these people around the country who care a great deal about doing something right.

Senator LIEBERMAN. And these folks will be broad-ranging in the sense of going beyond just those statisticians who may support adjustment?

Ms. RICHE. We have to have a full, open airing of the issue. People are not going to be confident about it otherwise.

Senator LIEBERMAN. As you know, in our conversation and in our pre-hearing questions we asked about the definition of poverty, which is another consequence of numbers that Senator Moynihan is interested in. In your pre-hearing answer, you deferred, indicating that the definition was the responsibility of the Office of Management and Budget.

I would just want to urge you to see if you can become involved in that, not in a way that comes to a particular conclusion. It is too bad that Senator Cochran isn't here, because your answer to this question would test your ability to please both of us, and of course, that is not your role. I am just teasing.

I think so much of what the Census Bureau collects has to do with the definition of what constitutes income. As you know, I am concerned that the definition of what constitutes poverty in Connecticut is different from what constitutes poverty in Mississippi, because Senator Cochran and I have disagreed in a friendly way on this. The consequences of that are substantial for Federal grant-making that is based on poverty.

If we ever got to the health care reform on the floor, Senator Moynihan and I were going to try to go at this with an amendment because so much of the subsidy programs that were being discussed were being discussed as a multiple of the poverty level. Our point was that it should change from area to area.

I don't know if you want to respond at all, but I hope that you will just help us access your material and perhaps to contribute in some dispassionate way to our activities here.

Ms. RICHE. The income and poverty issue is probably one of the most widely-observed statistics of the Census Bureau. Many people don't even know that these figures come from the Census Bureau. This is the piece of information that people want most and they want it for their community. They want it for their neighborhood. It is the most important statistic.

I am very interested, and have been for years. I was actually present in Washington in 1969 when Molly Orshansky came up with the first poverty definition. It was on the back of an envelope. She called my friend, Libby Kahn, got a little instruction. They talked about what the BLS had that might help. We had this family market basket, a norm for what would be the appropriate living standard for a family of four, and they worked that out and came up with this, as I say, back-of-the-envelope definition.

I know there has been an enormous amount of research that has gone on over the last decade to getting a definition that would be more sophisticated and more real. I am looking forward to reading the report that the National Academy will put out at the end of this year.

Senator LIEBERMAN. I look forward to working with you on that.

I have three questions that I am required by the Committee rules to ask you briefly. One is, is there anything that you are aware of in your background that might present a conflict of interest with the duties of the office for which you have been nominated?

Ms. RICHE. No.

Senator LIEBERMAN. Do you know of any reason, personal or otherwise, that would in any way prevent you from fully and honorably discharging the responsibilities of the office to which you have been nominated?

Ms. RICHE. No.

Senator LIEBERMAN. If confirmed, do you agree without reservation to appear and to testify before any duly-constituted Committee of the Congress?

Ms. RICHE. Yes.

Senator LIEBERMAN. Those are the right answers. [Laughter.]

Senator Akaka, do you have any further questions?

Senator AKAKA. No.

Senator LIEBERMAN. I thank you very much, Dr. Riche. It is certainly our intent to move your nomination to a quick markup in the next day or so and then hopefully through the Senate so that you can officially begin your work as soon as possible.

We are going to leave the record of the hearing open for a week for any additional answers to questions, and/or any statements that others would like to submit.

I thank you for your cooperation and your willingness to serve our country.

The hearing is adjourned.

[Whereupon, at 10:06 a.m., the Committee was adjourned.]



## A P P E N D I X

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### CONFIRMATION STATEMENT OF MARTHA FARNSWORTH RICHE BEFORE THE SENATE COMMITTEE ON GOVERNMENTAL AFFAIRS

Thank you, Senator Lieberman and Members of the Committee, for the opportunity to appear before you as you consider my nomination to be Director of the U.S. Bureau of the Census.

I am deeply honored to be nominated for this position by President Clinton. President Clinton and the members of his Administration know that we are living in a time of rapid and profound change, and they are committed to leading Americans in a wise and productive response to that change. To that end, we can only understand the nature of change to the extent that we measure its dimensions accurately, and we can only make good decisions in response to change to the extent that we measure it fully.

President Clinton is also deeply committed to ensuring that all Americans have the opportunity to share the benefits of change. And I endorse this commitment. In 1961 I received a Master of Arts degree in economics from the University of Michigan with honors. Yet because I was a woman, only one employer granted me an interview that spring: the Federal Government. So thirty-three years ago last month, when my classmates went to management training programs at prestigious corporations and financial institutions, I came to Washington, to the Bureau of Labor Statistics. Now I am nominated to direct the Census Bureau—the pinnacle of Federal statistical appointments. In my professional lifetime, I have witnessed a revolution of inclusion, and I have experienced it.

Statistics are the tool that puts a change like inclusion into focus. The statistics the Census Bureau produces are a socioeconomic map of the country. Each of us should be able to find our place there, to compare ourselves with others, and with where we'd like to be. Accurate, reliable statistics separate reality from perceptions that are sometimes outdated, sometimes just plain wrong, and thus they truly represent us.

I spent the 1980s using statistics for business purposes—most frequently using them to point out unserved or underserved consumer markets. One simple example: not so long ago, a woman who walked into a car dealership would commonly be met by the suggestion that she return home for her husband. But in the last decade, statistics that showed that women are involved in three-fourths of all car purchases, and directly responsible for nearly half of them, broke the stereotype and changed the industry's behavior. Similarly, at the nonprofit Population Reference Bureau we've broken stereotypes about minorities by using Census Bureau data to show the diversity within each group—that many Asian Americans are in poverty, for example, or that a large and growing share of African American households are affluent.

Just a decade ago, analyses like these were only available to people who had access to large, mainframe computers, and the knowledge and training to use them. Now the Information Age is bringing these tools to virtually everyone.

The media uses statistics as never before—first *USA Today*, now several newspapers have reporters assigned to cover developments in statistics.

Thousands of Americans have access to databases via networks like Prodigy and America On-Line.

Our population is more statistically literate, just by virtue of being a more educated population.

Americans are making friends with the technology that helps them use statistics. The Roper Organization just reported that a stunning one in three Americans say they are interested in online computer services and interactive information and entertainment, and one in four is interested in the Internet!

These developments give ordinary Americans the understanding and decision-making power that reliable, accurate statistics confer. For example:

Minority groups analyzed the 1990 census results with the same sophistication as redistricting specialists.

Grass roots advocates study census data to monitor public housing in their communities just as intently as developers look at it for building opportunities.

Churches use the data to decide whether to move to a new neighborhood, or to turn their attention to a new population in the old neighborhood.

In short, statistics are becoming an important tool for self-governance—and this is an exciting development for all of us.

Some people like to denigrate statistics as boring. But no one says that understanding is boring, or that making good decisions is boring. The decennial census and its related surveys provide the Nation with an invaluable resource—an accurate, detailed socioeconomic database that enables not just policymakers but people to understand their changing world, and to make decisions about it.

I hope I've made it clear that I take statistics seriously, and the mission of the Census Bureau seriously. Reliable, credible statistics are one of the most important components of the infrastructure of good government. I'm honored to be charged with this great responsibility and enthusiastic about the challenge of serving the American people.

I appreciate the opportunity to make a statement, and would be pleased to answer any questions you might have.

## BIOGRAPHICAL AND FINANCIAL INFORMATION REQUESTED OF NOMINEES

### A. BIOGRAPHICAL INFORMATION

1. Name:  
Martha Farnsworth Riche
2. Position to which nominated:  
Director, Bureau of the Census, Department of Commerce
3. Date of nomination:  
September 13, 1994
4. Address:  
Home: 5514 Lincoln Street, Bethesda, MD 20817  
Work: Population Reference Bureau, 1875 Connecticut Ave., N.W. Suite 520,  
Washington, DC 20009
5. Date and place of birth:  
October 16, 1939 in Ann Arbor, Michigan
6. Marital status:  
Widow, of Stephen T. Marston (d. 1983)
7. Names and ages of children:  
No children
8. Education:  
Ann Arbor High School, Ann Arbor, MI, 1953-56: graduated in 1956  
University of Michigan, Ann Arbor, MI, 1956-61: BA in 1960; MA in 1961  
Georgetown University, Washington, DC, 1968-1977: Ph.D in 1977  
Also attended the National University of Mexico in 1959, the University of Paris in 1967-68 (received two certificates), the University of Montpeffier (France) in 1970, and the Catholic University of Quito (Ecuador) in 1972 or 73.
9. Employment record:  
Director, Policy Studies, Population Reference Bureau, Washington, DC, 1991-present.  
National Editor (earlier, associate editor), American Demographics, and Editor-in-Chief, *The Numbers News*, American Demographics, Inc., Ithaca, NY, 1978-1990  
Economist (earlier, Management Intern), Bureau of Labor Statistics, U.S. Department of Labor, Washington, DC, 1961-1976
10. Military service  
None
11. Government experience:  
Federal:  
Member, Advisory Committee to the Census Bureau (representing the Population Association of America), 1992-present  
Personal services contracts with: National Center for Health Statistics, 1993-94, Social Security Administration, 1993  
Local:  
Member, Tompkins County Mental Health Services Board, 1980s

12. Previous appointments:  
None
13. Business relationships:  
None
14. Population Association of America (Subcommittee on Census 2000) American Statistical Association (chair-elect, Social Statistics section) Association of Public Policy Analysis and Management National Audubon Society
15. Political affiliations and activities:
  - a. None
  - b. Member, Tompkins County (NY) Democratic Committee and Fifth Ward (City of Ithaca) Democratic Committee, 1989-90
  - c. Women's Legal Defense Fund, \$125 (1994); Emily's List, \$100 (1993) \$150 (1994); Democratic Party, \$100 (1994)
16. Honors and awards:  
Dissertation Fellowship, American Association of University Women Employee Performance Awards, Bureau of Labor Statistics
17. Published writings: (NOTE: Given the length of the following list, the attached folders only represent published writings of the last 5 years; I can furnish copies of some earlier writings, on request)
 

In the *Monthly Labor Review*, a publication of the Bureau of Labor Statistics:

  - "The Public Services' International Trade Secretariat," November 1962
  - "Sixth Annual Economic Conference of the NICB," July 1963
  - "An Assessment of Apprenticeship," February 1964
  - "Labor Organizations in Asia and Australasia," March 1964
  - "Recent Federal and State Mediation Activity," July 1964
  - "American Federation of Government Employees," November 1965
  - "Union Election Challenges under the LMRDA," January 1965
  - "Labor Organizations in Latin America and the Caribbean," March 1965
  - "The American Institute for Free Labor Developments" September 1965
  - "Railroad Unemployment Insurance," November 1967
  - "Man-hour Requirements Decline in Hospital Construction," November 1970
  - "Productivity in the Bakery Products Industry," June 1972
  - "Productivity in the Ready-Mixed Concrete Industry," May 1973

BLS bulletins:

- Labor and Materials Requirements for Hospital and Nursing Home Construction*, 1971
- Productivity and the Economy*, 1973
- Productivity: an International Perspective*, 1974

In American Demographics:

- "The Wonderful World of Private Data Companies," February 1979
- "From Soup to Nuts," July/August 1980
- "Inflation's Accountant The Bureau of Labor Statistics," September 1980
- "Demographic Supermarkets of the 1980s," February 1981
- "The Future of Organized Labor," September 1981
- "Choosing 1980 Census Data Products," December 1981
- "The Fall and Rise of Religion," May 1982
- "Data Companies 1983," February 1983
- "The Blue Collar Blues . . . Or Whiter Than White," November 1983
- "The State of the States' Data Centers," October 1994
- "The Business Guide to the Galaxy," June 1985
- "The Directory, Part II," July 1985
- "The Nursing Home Dilemma," October 1985
- "Retirement's Lifestyle Pioneers," January 1986
- "Computer Mapping Takes Center Stage," June 1986
- "Mysterious Young Adults," February 1987
- "Two Paychecks and Seven Lifestyles," with Bickley Townsend, August 1987
- "Behind the Boom in Mental Health Care," November 1987
- "America's New Workers," February 1988
- "The Postmarital Society," November 1988
- "Psychographics for the 1990s," July 1989
- "The Boomerang Age," May 1990
- "America's New Families," March 1992
- "The Minority Majority," October 1992

*The Numbers News*, a monthly subscription newsletter, 1983-1990 (96 issues)

At the Populations Reference Bureau:

- "The Riche Report," a monthly column in *Population Today*, 1993-94
- What the 1990 Census Tells Us About Children*, 1993

*What the 1990 Census Tells Us About Women, 1994  
A Citizen's Guide to the International Conference on Population and Development, 1994*

Other:

"Productivity and unit labor costs in export and import-competing industries, 1958-68," in *U.S. International Economic Policy in an Interdependent World*, Washington, DC, 1971

"Business Use of Marriage and Divorce Statistics," *Applied Demography*, Vol. 5, No. 1, 1990

"Demographic Change and Its Implications for Marketing Research," *Journal of Applied Marketing Research*, 1991

Demographic Change and the Destiny of the Working-Age Population," in *As the Workforce Ages: Costs, Benefits and Policy Challenges*, ILR Press, Cornell University, Ithaca, NY: 1993.

"Hispanics in the U.S.: A Different Kind of Immigrant," with Barbara Everitt Bryant, *Cosmos*, Vol. 2, No. 1, 1993

"Work Force and Compensation in the 21st Century: A Demographic Perspective," with Thomas W. Merrick, *ACA Journal* 1:2, Winter 1992-93.

Note: This list only includes signed articles, book chapters, columns, and monographs. It does not include book reviews, editorials, magazine departments, communications to newspapers, or notes (signed or unsigned) in magazines. I have constructed it to the best of my ability, but I am sure I have forgotten at least a few articles.

Speeches:

See attached folder

19. Congressional testimony:

Joint Economic Committee, March 17, 1986: "Private Sector Needs for National Economic Statistics"

House Budget Committee, June 12, 1991: "Demographic Trends and the Federal Budget"

House Committee on Post Office and Civil Service, Subcommittee on Census and Population, May 26, 1992: "Changes in Population Growth and Regional Distribution: Findings from the 1990 Census"

20. Selection:

b. President Reagan's first appointee to this position once introduced me to a large gathering by saying that I "covered the Census Bureau like a glove." At that time (early 1980s), my journalistic work acquainted me with all aspects of the Census Bureau's output—surveys and censuses, demographic and economic. Although my responsibilities have been more focused in subsequent years, I have no hesitation in saying that no director in memory has had as broad a knowledge of the Census Bureau's work and its users as I do. For example, during the mid 1980s, the Census Bureau hired my firm to perform a survey of private census data users, which I conducted. I also brought 1990 census planners together with intense private sector users (both profit and non-profit). I am a frequent spokesperson for the broad census data user community in a wide array of settings, including business, advocacy, and academia.

On the supply side, my experience at the Bureau of Labor Statistics made me familiar with the workings of a government statistical agency. Now my work at the Population Reference Bureau has made me familiar with the management problems that statistical agencies confront in this time of fundamental organizational change. Although the Census Bureau dwarfs the PRB in both the size of the work force and the budget, the two organizations confront the same set of organizational change issues.

#### B. FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all connections with your present employers, business firms, business associations, or business organizations if you are confirmed by the Senate?

Yes.

2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government?

No.

3. Do you have any plans, commitments, or agreements after completing government service to resume employment, affiliation, or practice with your previous employer, business firm, association, or organization?

No.

4. Has anybody made a commitment to employ your services in any capacity after you leave government service?

No.

5. If confirmed, do you expect to serve out your full term or until the next Presidential election, whichever is applicable?

Yes.

#### C. POTENTIAL CONFLICTS OF INTEREST

1. Describe all financial arrangements, deferred compensation agreements, or other continuing agreements or dealings with business associates, clients, or customers.

None.

2. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

None.

3. Describe any business relationship, dealing, or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

Although it is not a conflict, you should be aware that the report that concludes the personal services contract that I am completing with the National Center for Health Statistics will contain my recommendation that a group be formed to coordinate Federal statistics on families and children, and that the group be co-chaired by directors of statistical agencies, including the Director of the Bureau of the Census.

4. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy.

I currently direct all PRB activities funded by the Pew Global Stewardship Initiative (The Pew Charitable Trusts). One goal of the Initiative has been to affect U.S. public policy in regard to international population, including U.S. funding for family planning and other population activities in less-developed countries. PRBs activities consist of information and technical assistance only.

5. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

I will undertake the actions described in the attached ethics agreement which was prepared by agency counsel. In the unlikely event that a conflict arises in the future, I will consult with an agency ethics official to resolve the conflict.

6. Do you agree to have written opinions provided to the Committee by the designated agency ethics officer of the agency to which you are nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position?

Yes.

#### D. LEGAL MATTERS

1. Have you ever been disciplined or cited for a breach of ethics for unprofessional conduct by, or been the subject of a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group?

No.

2. Have you ever been investigated, arrested, charged, or held, by any Federal, State, or other law enforcement authority for violation of any Federal, State, county, or municipal law, regulation, or ordinance, other than a minor traffic offense?

No.

3. Have you or any business of which you are or were an officer ever been involved as a party of interest in any administrative agency proceeding or civil litigation?

No.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense?

No.

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

None.

## E. FINANCIAL DATA

(RETAINED IN COMMITTEE FILES)

## AFFIDAVIT

Martha F. Riche being duly sworn, hereby states that he/she has read and signed the foregoing Statement on Biographical and Financial Information and that the information provided therein is, to the best of his/her knowledge, current, accurate, and complete.

Martha F. Riche

Subscribed and sworn before me this 20th day of Sept. 1994

Zathlun S. Blank  
Notary Public

My commission exp: 5/14/95

## PRE-HEARING QUESTIONS FOR MARTHA FARNSWORTH RICHE TO BE DIRECTOR OF THE BUREAU OF THE CENSUS, DEPARTMENT OF COMMERCE

## I. NOMINATION PROCESS AND POTENTIAL CONFLICTS

1. Were any conditions, expressed or implied, attached to your nomination to be Director of the Bureau of the Census?

No.

2. Have you made any commitments with respect to the policies and programs you will attempt to implement as Director of the Bureau of the Census? If so, what are they?

No.

3. Are there any issues involving the Bureau of the Census from which you may have to disqualify yourself? If so, please explain?

No.

## II. MANAGEMENT

1. The Census Bureau budget has been described as incomprehensible to outsiders. What plans do you have to develop accountability and openness in the Census Bureau budget process?

I understand that Secretary Brown has recently instituted a new Department division review program in which each agency must prepare quarterly reports on management and financial priorities for the Secretary and his Executive Management Team. The recent Bureau reorganization, especially the creation of a chief financial officer position, will complement this. I support these efforts and am committed to maintaining the openness and accountability of the Bureau in its dealings with both the Congress and the Bureau's stakeholders.

2. The Census Bureau management was reorganized recently. Do you approve of that reorganization? Given that the reorganization has increased the number of management positions, how does the Census Bureau plan to achieve the supervisor/supervisee ratio recommended in the National Performance Review?

Yes, I approve of the recent reorganization and believe that it will focus accountability at the Bureau and address the concerns of Congress. I see the reorganization as setting a framework for streamlining and re-engineering the processes of the Bureau and thus achieving the goals of the National Performance Review.

3. Outside observers of the Census Bureau have indicated that the recent reorganization reduced the visibility and stature of research at the Census Bureau. Do you agree with this direction? Do you plan further de-emphasis of research or do you intend to reverse that direction? Do you plan to increase the level of methodological and substantive research at the Census Bureau?

I understand that there is much crucial research currently underway, including the research and planning for the decennial census, the 1995 test census, and continuous measurement research. I don't think any actions have been taken to reduce the visibility and stature of research, nor do I plan to take any such actions if confirmed.

4. Do you agree that there should be a senior executive responsible for marketing at the Census Bureau? How should that function be organized, and should there be a separate budget for this function?

I believe that there should be a senior-level focus on customer satisfaction, especially with other customer Federal agencies, and, if confirmed, I hope to review the Bureau's organization in this regard.

5. How do you intend to go about improving the relationship of the Census Bureau with Congress? What do you see as the key problems in that relationship?

The Census Bureau needs to be open and responsive to the needs and concerns of Congress. I believe it is my job, if confirmed, to earn for the Bureau the trust of Congress by articulating Census priorities and maintaining a high standard of managerial and financial accountability.

6. Do you believe that the Census Bureau's budget is adequate for its responsibilities? What efficiencies do you intend to introduce to allow funds for current and future activities?

The Census Bureau faces many organizational and technological challenges as it carries out its ongoing mission and plans for the 2000 census, and it will always be a struggle to secure the necessary resources in this era of tight budgets. If confirmed, I will look for opportunities for process improvements and I look forward to reporting back to the Congress with potential areas of savings.

7. There are several SES vacancies at the Census Bureau for key positions in the management and administrative areas, particularly financial management, as well as in the program area. What type of people would you seek to fill those positions?

The world in which the Census Bureau does its work is undergoing rapid change. I believe it is essential to bring people with broad, relevant, cutting-edge knowledge and experience into key management positions. Also, I am committed to the Commerce Department diversity program recently enacted by Secretary Brown.

8. Please comment on what you believe should be the appropriate relationship between the Census Bureau's director and the Office of the Under Secretary of Commerce for Economic Affairs, especially with regard to the need to maintain an appropriate level of independence in making scientifically-based decisions.

The primary job of the Census Director is to safeguard the integrity of the Bureau's statistical functions, its workers and products. I share this goal with the Office of the Under Secretary for Economic Affairs.

9. What is the proper role of the Census Bureau and the decennial census in the Federal statistical system?

The Census Bureau and the decennial census are the cornerstone and the baseline of the Federal statistical system. As such, the Bureau must be afforded the first priority in matters of concern to the statistical system, and must act with that responsibility in mind.

10. What are the primary areas within the Census Bureau in need of your immediate attention?

At this point, I believe the primary areas in need of my immediate attention are building consensus in the statistical community, Congress, and the public regarding the decennial census planning process, improving managerial and financial accountability, and fostering an open environment and reaching out to concerned stakeholders.

11. Prior to the 1990 census, the Census Bureau requested and received permission to hire employees as temporary workers. Since that time, that authority has been used for all Census Bureau new hires, not just those associated with work on the decennial census. Do you think this is appropriate use of this authority? What rights are granted to permanent employees that are lost to these temporary workers? What evidence do you have that these employees understand the rights that have been denied them after being on the payroll three or more years?

I am unfamiliar with the details of this issue, but I understand the seriousness of it and the justifiable concerns of temporary workers. I will examine the issue if confirmed and report to Congress if asked to do so.

### III. CUSTOMER SERVICE

1. The Census Bureau does a considerable amount of data collection for other agencies, and while the quality of that work is high, the cost is also high. What do

you plan to do to reduce the costs of contract survey work? What do you plan to do to provide more detailed cost accounting for this work? When will the Census Bureau be prepared to provide its customers with cost-accounting for each phase of survey work—training, questionnaire preparation, household interviewing, post-interview editing in the field, etc.—as part of the initial proposal for the work?

Customers satisfaction, especially from other Federal agency customers, should be a permanent Bureau goal. I believe that all customers are entitled to thorough and accurate cost accounting as a matter of good business practice. I believe that several recent Bureau initiatives, including the management reorganization, the new chief financial officer position, and the implementation of CAMS, (define CAMS) should help to identify and reduce costs.

2. What do you believe are the steps you have to take to make sure that the products being produced are the same products the users need?

I understand that Secretary Brown has ordered all Commerce agencies to conduct customer surveys in an effort to foster a more customer driven Department. The Census Bureau developed an effective survey, and the rest of the Department was directed to use the Census form for their own surveys. I agree with this process and believe that is a good start.

3. Should marketing, data dissemination, and public information be considered as one process? If so, what changes are necessary to design and implement that process?

Marketing, data dissemination, and public information are all aspects of responsiveness to the customer—but they are separate sets of activities. I don't have detailed working knowledge of what the Census Bureau is currently doing in these areas, but I am committed to increasing the Bureau's responsiveness to all of its customers.

4. In a competitive environment marketing decisions precede program development. Is that model appropriate for Census Bureau programs? What changes are necessary to bring marketing considerations to bear on program development?

The essence of marketing is giving customers what they want, not selling them what you have. That is what I will strive for at the Bureau. While marketing doesn't and shouldn't drive every program at Census—because of its unique mission and statutory requirements—I want to ensure that marketing considerations are present wherever possible.

5. What changes are needed to make sure that the Census Bureau is customer driven?

The most important change is to ensure that each Census employee believes that customer satisfaction is the primary consideration in the performance of his or her duties.

6. In the age of Internet, how does the Census Bureau see its role changing? What is it doing to prepare for a time when all Census Bureau products are available free of charge to most people? How will this change the nature of customer service?

Information dissemination is part of what the Bureau does as a service to the Nation. Internet is an exciting vehicle reaching a large and growing segment of the population. But there will continue to be costs associated with a variety of services provided by the Bureau, and those cost issues will need to be addressed. It is hard to believe that everything the Bureau puts and will put on the Internet will be free forever.

#### IV. POPULATION AND HOUSING CENSUS

1. High among the stated goals of the Census Bureau for the 2000 census is a more complete and accurate enumeration of the population, especially groups that have been traditionally under counted, with little or no increase in per capita cost. The Census Bureau is giving serious consideration to many new procedures for the 2000 Census in order to reach those goals. However, solid scientific evidence about what to expect from changes in procedures and methods is often lacking. How do we ensure a useful, scientifically sound knowledge for planning the 2000 census and future censuses so that we know what strategies maximize coverage while holding costs down, and what strategies do not serve these goals?

It is my understanding that the decennial planning cycle is right on track. The 1995 test census and follow-up will clarify many questions that have been raised. But I believe that there are many simple actions that can help, many of which have been championed by Congress, such as post office coordination, user-friendly forms, and others. I believe that the recently released National Academy of Sciences report has provided a valuable framework for studying these issues.

2. What methods for nonresponse follow-up, other than sampling, are you testing in 1995? Would any of these allow the Census Bureau to reduce the nonresponse households to be sampled to less than 10 percent? Less than 20 percent?

The pivotal variable in the 1995 test and the 2000 decennial is the primary response rate. Our goal is to increase the accuracy of the decennial and reduce the cost. It is important for us to focus much of our efforts in this area on hard-to-count populations. Census is now testing a wide variety of fractions and will evaluate the reliability of the results.

3. What is your reaction to current proposals to move content from the decennial census to alternative data collection vehicles? On what basis should those proposals be judged?

I am unfamiliar with the details of the proposed alternative collection vehicles. I am aware of the general concepts of continuous measurement and I look forward to educating myself as to the specifics of this approach. The basis for any judgments made as to the effectiveness of the different proposals will be based on the accuracy and reliability of the results they obtain and whether the information collected serves the needs of stakeholders.

4. As you know, Secretary Mosbacher rejected a proposal for adjusting the 1990 census. In doing so he distinguished between numeric accuracy and distributive accuracy, and concluded that distributive accuracy was of primary importance because that is the form in which the data are used. Do you agree that in principle, adjustment of the census could improve numeric accuracy but worsen distributive accuracy? Do you agree that distributive accuracy should be primary? If not, please explain your reasoning. Do you believe that the proposed adjustment to the 1990 census would have improved distributive accuracy for State population shares? For sub-state areas: For Congressional Districts? For Counties? What is the basis for your opinion?

The census population numbers have many different uses. They determine apportionment, are used by States for the purposes of redistricting, play a variety of roles in the redistribution of funding at many different levels, and are the basis for our understanding of our population. For the constitutionally mandated purpose of apportionment, distributive accuracy is primary, but both rationales exist. My impression is that the adjustment of the 1990 census would have improved the state-by-state distributive accuracy of the data. Below the State level, the relative numeric and distributive accuracy of the two data sets may be statistically unknowable.

In July 1991 the Census Bureau estimated the net National undercount to be 2.1 percent based on the Post-Enumeration Survey. Part of that estimate reflects errors in the adjustment process rather than errors in the census. In January 1993 the Census Bureau reduced that estimate to 1.6 percent because of errors in the adjustment methodology. But even the estimate of 1.6 percent contains some degree of error in the adjustment methodology. The Census Bureau estimates that approximately 0.7 percent out of the 1.6 percent was the result of measured errors in the adjustment methodology. Consequently, about 1.2 percent (0.5 plus 0.7) of the original estimate is the result of measured errors in the adjustment methodology (1.2 over 2.1). Would you recommend the use of an adjustment methodology where over half the estimate results from errors in the methodology? If so, what other Census Bureau procedures rely on methodologies that produce estimates that are over half measured errors in the methodology? I am unfamiliar with the specifics of this statistical evidence. After I review the statistical evidence, I would be happy to report back to the Committee.

#### V. ECONOMIC PROGRAMS

1. What are the current problems facing the Census Bureau as it attempts to collect data on the service sector of the National economy and what needs to be done to overcome these problems?

In general, our economy is getting more complex and difficult to measure. I will constantly work to lead the Census Bureau so that it can adapt to and, therefore, measure accurately the changing global economy. The measurement of output quality is one of the more difficult challenges facing the Census Bureau as it attempts to collect data on the service sector.

2. In the early 1980's a joint project between Yale University and the Census Bureau was undertaken to construct longitudinal data files *ex post* with annual survey and census data for the manufacturing industry. The importance of these files was noted in Dr. Ronald Coase's 1991 Nobel Prize acceptance speech. Drs. Nancy and Richard Ruggles, who conceived and directed this project, originally envisioned that similar longitudinal files should be constructed for each major industrial sector.

What plans are in place to develop similar files for the agriculture, construction, and banking industries? If no plans are in place, what will you do to see that such files are constructed? What is being done to link export and import data to existing or planned longitudinal files? If none, what will you do to get this work started?

I would hope to extend the LRD to other industry areas, but the resource requirements are extensive so it is hard to adopt concrete plans at this time. That aside, I believe that this kind of research is very exciting and should be a priority because only the government has the resources to undertake it. The LRD has already informed many policy debates and was used extensively by Secretary Brown during the G-7 Jobs Conference in Detroit earlier this year.

3. What work is being done to incorporate a longitudinal dimension into new or revised surveys and censuses? If none, what will you do to get this work started?

I'd like to see our surveys designed to fit into the LRD and other data sets.

4. What work is being done to develop longitudinal information on the service industry? If none, what will you do to get this work started?

I don't know, but it is an interesting prospect and I look forward to the opportunity if confirmed.

5. What plans are there to develop data products of existing survey data, like large sums of squares and cross-product matrices, that provide analysts greater access to those data without sacrificing the confidentiality of the companies reporting the data?

I don't know but I would be happy to report back to the Congress at a later date.

6. What was the lag between collection and publication for the last economic censuses. What is your goal for this lag in the next economic censuses? What work is being done to improve the timeliness of data from the economic censuses?

The first thing I would do would be to change the name to fit perception with reality. The current name, the 1992 economic census, is a survey that really concerns data for 1992, that is collected in 1993, and that is reported in 1994. This title gives the appearance of a time lag that doesn't really exist. But let me assure the Committee that one of my primary goals for the Census Bureau is the prompt tabulation and dissemination of data, and I believe the Bureau is already striving to reach that goal.

7. Recent changes in questions on educational attainment in the census and the Current Population Survey have created serious measurement problems. For example, in the 1990 census the absence of a direct question about school enrollment created a large and unexpected change in the rates of school enrollment. The collapsing of several grade levels below high school has made it impossible to follow age-grade progressions at younger ages or to examine school completion among recent immigrant populations. The failure to distinguish grades attended from grades completed has eliminated the ability to examine the transition between college entry and completion of the first year of college. How is the Census Bureau evaluating the validity and usefulness of the new education questions? What plans are being developed to address these problems?

As a professional demographer, my greatest concern is that the data accurately reflect the phenomenon the researchers are attempting to measure. As I understand the reasoning behind these changes, they were attempting to emphasize completion over participation. I know that the Census Bureau is having ongoing consultations with users and will try to resolve the problems that the new education have created.

8. Many of the discussions of Continuous Measurement include the proposal that all household surveys be included as part of that single collection system. What research has been done, or is planned, on the comparative data quality of mail-out/mail-back surveys and personal interview or phone interview systems?

This is an important concern. I believe further research is necessary before moving forward with the inclusion of household surveys into a single collection system.

9. Would the mail-out/mail-back procedures of Continuous Measurement produce employment and unemployment measures of comparable quality, precision, and meaning at the National level to those collected in the Current Population Survey? If not, how would you justify this loss of quality to policy makers?

The answer to the first of these questions is unknowable without further research. However, I can assure the Committee that any decision to adopt Continuous Measurement will be made with the consensus of stakeholders.

10. What discussions have been held with the agencies currently sponsoring household surveys to discuss folding (or not folding) those surveys into continuous measurement? What will you do to address the statistical communities' fears about the plans for Continuous Measurement?

I don't know what discussions have been held in the past but I would make sure that any future discussions would be extensive and inclusive of a wide range of representatives from the statistical community.

#### VI. NEW INITIATIVES

1. This fall the National Academy will release a report recommending changes to the poverty definition. The criticism of that definition has been increasing for several years. In the past the Census Bureau has done some work on valuing noncash benefits; although that has been primarily government benefits and has ignored noncash benefits in the private sector. What planning has been done to set in place a process for studying and implementing the National Academy recommendations? What will you do to make sure that this issue is addressed?

I believe the responsibility for adopting a new definition of poverty lies with the Office of Management and Budget. I agree that the current definition should be reviewed and updated and I look forward to reading the recommendations of the NAS.

2. Legislation has been introduced requiring the Census Bureau to adjust the poverty thresholds for State to State variation in the cost of living. Do you think such an adjustment should be made? What has the Census Bureau done to prepare for such activity should the legislation pass?

Adjustment of the poverty thresholds for State to State variation in the cost of living would require extensive data collection and research. There are many issues that need to be addressed. I understand the National Academy of Sciences is about to publish recommendations on this issue and I look forward to reviewing their findings.

3. The AmeriCorps program is now in place and at the outset had more participants than the Peace Corps did at its largest. What is the Census Bureau doing to develop information collection that could be used in the evaluation of this program? What is being done to incorporate this into measures of the program participation?

I am unaware of such work being done at the Census Bureau but I would be happy to report back to the Congress on this matter at a later date, if so requested.

4. The transition from school to work is a critical point in an individual's development, and the success of that transition is critical to society. Yet the compartmentalization of statistics in our system leave the transition outside all jurisdiction. Is it appropriate to expect the Census Bureau to collect this information? What should be the Census Bureau's role in seeing that such gaps are given sufficient attention?

This administration places great importance on the transition from school to work. With this in mind, I believe it is appropriate for the Bureau of the Census to take a leadership role in coordination of the Administration's efforts to collect information on this critical transition.

#### VII. RELATIONS WITH CONGRESS

1. Do you agree without reservation to respond to any reasonable summons to appear and testify before any duly constituted committee of the Congress if you are confirmed?

Yes.

2. Do you agree without reservation to reply to any reasonable request for information from any duly constituted committee of the Congress, or its authorized agents, if confirmed?

Yes.

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#### RESPONSES TO QUESTIONS FOR THE RECORD FROM SENATOR GLENN FOR MARTHA FARNSWORTH RICHE

1. The Committee would like to be kept informed of contacts between the Census Bureau and the business community with respect to requests by the business community for the collection of information during the Economic Surveys. Will you see to it that this is done?

If confirmed, I will be happy to report to the Committee with respect to requests from the business community for the collection of information during the Economic Surveys.

2. I understand that it is difficult to get anyone at the Census Bureau to give us a bottom line audit of the work that you do—where exactly does the money go? How

much goes where? Do you have any ideas how this situation might be improved? How might the Commerce Department CFO or the new CFO position at the Census Bureau be able to assist?

I feel that the situation you describe is unacceptable for Census overseers, customers, and managers. As a result, I place high priority on filling the new CFO position as soon as possible, and charging this individual with bringing the Census Bureau into line with the best current financial information practices.

3. In the past, the Census Bureau has not had a good reputation for providing policy-relevant data for planning and programming on issues such as health care, welfare and poverty. Two areas I'm especially interested in are evaluating the effectiveness of the Corporation for National Service, and tracking youth between the time that they graduate or drop out of school and enter the work force. What will you do to fill these gaps?

I am not familiar with the specifics of the Corporation for National Service, but I am very interested in tracking the school-to-work transition. For the last 2 years I have used the Census Bureau's Current Population Survey (funded principally by the Department of Labor) to draw a portrait of youth in the transition years, but the data are limited for many reasons, one being that it is usually the parent who responds to the questionnaire. The absence of good statistics in relation to this topic is, I feel, a prime example of the need for coordination in our decentralized statistical system. If confirmed, it is my intention to seek as many opportunities for coordination as possible.

4. Please provide the Committee with further information on the hiring of Census employees solely as temporary, and not permanent workers. As we understand it, this has come to include not only the census enumerators, but also support and research staff at the Census Bureau, denying them job security and rights in reductions-in-force. Do you plan to continue this practice?

I am not familiar with the situation you describe, but, if confirmed, I will be happy to provide the Committee with the information you request.

5. What is the status of the Census Bureau computer systems? Are they adequate for your needs or will you be seeking appropriations for an upgrade?

I have not been briefed about the status of the Census Bureau computer system, but if confirmed, I will be happy to report to the Committee about the system and the projected needs for it.

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QUESTIONS FOR THE RECORD FROM SENATOR LIEBERMAN FOR MARTHA FARNSWORTH RICHE TO BE DIRECTOR, BUREAU OF THE CENSUS

1. In conducting the census the Bureau relies heavily on the Post Office. Given the experience of past censuses where forms were not delivered, and the recent discoveries of mail stashed in trailers or left sitting in the corner of warehouses for years, what can the Census Bureau do to assure those who don't get their form, or those who return it in the mail that they will be counted?

It is my understanding that the Census Bureau is researching a number of ways for people who do not receive their questionnaires in the mail to fill one out anyway such as picking one up in a public place. Making sure that these alternatives do not diminish the accuracy of the census will depend on successfully developing technology to address the potential for double-counting.

2. In your prehearing questions the Committee asked about the poverty definition, and you deferred indicating that the definition was the responsibility of the Office of Management and Budget. But, as you know, the Census Bureau collects most of the data on income, and has done a considerable amount of research on various income definitions. It seems reasonable then, that the Census Bureau will have a major role in any Administration program to redefine poverty. What do you think the Bureau should be doing to prepare for that role? Are the necessary resources for those activities in place?

I foresee an important role for the Census Bureau in measuring poverty, and consider that the experimental work the bureau has done on various income definitions is a useful foundation. More work, of course, needs to be done, e.g., on valuing such noncash benefits as employer-provided benefits, which seem to be making up an increasing share of employee compensation.

3. What will you do to assure that the Census Bureau is prepared for the debate over welfare reform that is likely in the next Congress? To your knowledge, has the Census Bureau analyzed the current legislative proposals to determine what data is available and what is needed?

I don't know whether Census Bureau staff have analyzed current legislative proposals for data needs in connection with welfare reform, but I think it would

be a good idea for them to do so. In principle, I feel that there should be a way for the statistical agencies to let Congress know what the data collection needs might be of legislation that is under consideration, unless this task is already being performed by the General Accounting Office.

4. In addition to the decline in the number of farm workers this century, there has been a shift from full time employment to seasonal and migrant workers. Neither the Agriculture Census nor current surveys do a very good job at measuring the number of seasonal and migrant farm workers. What can be done to improve the measurement of these populations in the decennial census?

A principle challenge of a census is measuring people who aren't at a home address on Census Day. It is my understanding that the bureau is researching a variety of ways to capture mobile populations better.

#### MANAGEMENT

1. The Census Bureau budget has been described as incomprehensible to outsiders. What plans do you have to develop accountability and openness in the Census Bureau budget process?

If the budget is incomprehensible to outsiders, it probably isn't as comprehensible as it needs to be for inside managers, if they are to make effective use of resources. Consequently, I place a high priority on filling the new Chief Financial Officer position as soon as I can find an individual capable of developing a system that will provide the accountability and openness we all desire.

2. The Census Bureau has talked about spending millions of dollars for computer acquisition over the next 5 years, but there is no business plan for guiding this acquisition. When will you have a business plan on computer acquisition available for outside review?

I am not currently cognizant of the bureau's computer situation or plans, but I will be happy to discuss them with the Committee as soon as possible. Given the rapidity with which computer technology is evolving, it would be very useful to have an outside review of these plans.

3. What plans are made for modernizing the computer systems at the Census

Bureau, and what work has been done to assure that modernization is compatible with other statistical agencies?

Again, I would be happy to discuss these issues once I am familiar with them.

4. Article 1, Section 2 of the Constitution describes a tension between counting citizens in the census and counting them for taxation purposes. This dynamic balance no longer exists, and incentives are completely on one side. How does this change in the nature of the census change the Census Bureau's responsibility for taking the census? Given this change, is it appropriate to equate not being counted in the census with disenfranchisement?

I believe that this question is currently the subject of litigation, and therefore feel that it would not be appropriate for me to comment at this time.

5. Do you believe that each citizen has a right to be counted, or is it their duty to be counted?

My sense is that to the extent that this distinction has operational consequences, it is a distinction for Congress to make. As Census Bureau director, my duty will be to carry out the law.

6. There are several cases where Title 13 confidentiality restrictions have been applied inconsistently. For example, the Census Bureau has cited Title 13 in refusing to share survey microdata with some agencies while at the same time it was sharing microdata, including individual identifiers, from surveys with other agencies. Explain how those inconsistencies came about, and demonstrate how you intend to apply Title 13 confidentiality consistently to each agency. Please specify the Census Bureau's operational guidelines for applying Title 13 confidentiality in producing data for other statistical agencies.

I do not know whether the Census Bureau currently has such guidelines in place, but they seem like a good idea. Data-sharing is clearly beneficial, both for agencies who can build on other work and for respondents who are spared an additional questionnaire. However, Americans are very concerned about privacy invasion, and this concern must be carefully balanced with efforts to increase governmental efficiency. This might be a useful subject of dialogue between the Census Bureau and interested members of Congress.

7. Would you support an outside review of Census Bureau's budget procedures?

Yes.

8. What ideas do you have for building bridges with other agencies so that data produced from agency to agency on a particular topic, like labor force or family statistics, are more integrated across agencies?

I have been impressed with the improvement in statistics on aging that is being produced by the Interagency Forum on Aging Statistics, and have just recommended that agencies form an equivalent body to address statistics about families and children. Coordinating instruments like these are unwieldy, and it takes hard work to make them effective. Nevertheless, I feel they are an important aspect of self-governance in our decentralized statistical system.

9. You previously worked for the Bureau of Labor Statistics. Based on that experience and what you have learned in your work since then, what opportunities exist to improve cooperation between the Census Bureau and BLS? How would you go about improving the level of cooperation and understanding between these two organizations? How can this experience be extended to relationships with other client agencies?

I have met with the Commissioner of Labor Statistics, and we look forward to working with one another. In my experience, getting people into the same room to look at issues of common concern is the best way to build mutual understanding and trust. And getting them to work together on a project of mutual interest is the best way to build cooperation. This is one reason I favor coordinating bodies like the ones I referred to in Question 8 above—these bodies are a vehicle for undertaking joint projects.

10. Over the years there has been frequent talk about the need for legislation to improve data sharing among statistical agencies for statistical purposes. The Census Bureau's Title 13 restrictions on data sharing are viewed by some as too restrictive. Others think the Census Bureau unnecessarily hides behind Title 13 to prevent a loss of its competitive position in the statistical community or for other reasons. Can the Census Bureau do more under current legislation to share data with statistical agencies? Can it do more to share data with State and local governments? Do you think legislation is necessary to alter the Title 13 confidentiality provisions?

As I indicated above, I think data-sharing has many potential benefits. I also think that the sharing of good data increases an agency's competitive position, rather than weakens it. Again, I think that determining how best to proceed in this direction would benefit from a discussion with interested members of Congress.

11. Do you believe there are any opportunities for improving the Census Bureau's reimbursable work for other Federal agencies through interagency agreements?

I hope that such opportunities exist. Many agencies are making use of private vendors for data collection efforts, and it is important for the Census Bureau to have a clear vision of what it can offer relative to other providers.

12. What are your views about the overall operation of the Federal statistical system? Should we consider any rearrangement of the decentralized organizational structure that now exists? What role would the Census Bureau play in that rearrangement? Should we expand or improve the coordinating role played by the Office of Management and Budget or create a new coordinating organization? Are there other ways to improve coordination and cooperation?

There is rarely one single right way to do things, and the many discussions about the relative merits of decentralized versus centralized statistical systems suggest that each one has demerits as well. Certainly, industry's perennial flirtation with centralized versus decentralized organizations suggests that simply mandating centralization would not solve all problems. Like industry, the answer probably lies in establishing structures and systems that increase both communication and empowerment accountability.

13. What is the proper role of the Census Bureau and the decennial census in the Federal statistical system?

In my view, the Census Bureau is the system's multi-purpose collector of socioeconomic data, and the decennial census produces the heart of the Nation's socioeconomic database.

14. Former Census Bureau Director Barbara Bryant placed a high priority on bringing modern survey research practices and techniques into Census Bureau activities. What are your short and long term priorities for improving the Census Bureau's work and products?

My short- and probably medium-term priorities involve reorganizing the way the Census Bureau does its work into project/process teams. In addition to focusing the bureau more intently on the needs of its customers, these teams should also foster innovation, as they help people to develop a broader understanding of the context in which they work as well as a broader acquaintance with the contributions others make. On a longer-term basis, I would like to foster a greater interchange with the academic and research community, possibly through an exchange of personnel. I am also concerned that the bureau remain an employer of choice for the most talented statisticians and surveyors.

15. Do you believe that the full range of activities conducted by the Census Bureau are coordinated adequately to ensure that evaluations, technology advances, and the like are widely applicable and widely used? If not, how would you improve the coordination?

Again, I feel that an organization based on project process teams is most likely to facilitate the exchange and adoption of new knowledge, as well as to promote the development of such knowledge. Such teams also offer employees an opportunity to strengthen their knowledge by serving in a range of settings, and with a range of colleagues.

16. What is the role of substantive and methodological research in fulfilling the Census Bureau's mission?

Research is an important foundation for fulfilling the Census Bureau's mission. The entities the bureau measures are changing in many ways, and responding to these changes requires constant research, both substantive and methodological. In addition, policy and research interests are shifting to data that is often multidisciplinary, and that measures outcomes as well as inputs. These and similar shifts also require constant research.

17. The Census Bureau has been criticized for operating its census and survey operations as completely separate organizations, and missing both substantive and methodological cross fertilization. What will you do to see that these activities draw upon the Census Bureau's resources in such a way as to strengthen each?

Again, I feel that organizational flexibility is needed.

#### CUSTOMER SERVICE

1. How would you describe the current quality of customer relations with other agencies?

My discussions with Census Bureau customers in other agencies have convinced me that we need to reorganize the way the bureau does its work to better focus accountability for customer satisfaction.

2. How would you describe the current quality of customer relations with the public?

The public generally gives Census Bureau employees high marks for openness and helpfulness. However, it is always hard for the average citizen to find the right person, place, or answer in any bureaucracy. The Census Bureau has been working diligently in this direction, but more remains to be done. To that end, the Census Bureau has developed an exciting project known as DIAMOND, designed to make it easy for the customer in a variety of ways. Unfortunately, not all the DIAMOND activities were granted funding, but I plan to give these activities a high priority.

3. The National Performance Review defines competitiveness and marketing as positive goals for Federal agencies. What are your plans for instituting more marketing techniques into the Census Bureau?

One component of the DIAMOND plan is an integrated marketing office, recommended by a marketing team of Census Bureau employees. Even though this activity was denied funding, I plan to seek ways to support it.

4. The cost of CD-ROM products from the Census Bureau are considerably higher than from most agencies. Nearly three-quarters of the cost is for labor—staff time, data preparation, and administrative overhead. What can be done to reduce those costs? What can be done to bring the cost of Census Bureau CD's more in line with that charged by other agencies?

I am not familiar with the issue you raise, but feel that the prices the Census Bureau charges should generally be in line with those of other agencies—if those agencies are not subsidizing their products, or have not been charged by Congress with supporting their data dissemination through sales revenues.

5. Would you support an outside review of Census Bureau's cost accounting and relationship with other agencies?

As part of my goal of a more open accounting system, I would support an outside review of Census Bureau cost accounting. However, I feel that agency decisions about whether to continue to work with the Census Bureau constitute an outside review of the bureau's agency relationships.

6. Should the Census Bureau be doing all data collection for all agencies? What proportion of Federal data collection should be done by the Census Bureau, and what proportion by organizations outside the government?

I feel that is generally inefficient to mandate specific suppliers for any service, and that the public good is best served by allowing agencies to determine which suppliers most effectively meet their needs.

7. The Census Bureau currently holds quarterly meetings with all customer agencies. Is it appropriate to treat all agencies the same, or should customer relations be individualized for each customer?

A reorganization based on project/process teams should facilitate developing meeting schedules that meet the needs of each customer, rather than a single arbitrary schedule.

8. Should the industrial directory be made available to other agencies? If not, is this not a contradiction of the terms under which it was funded?

I am not familiar with the industrial directory, but would be happy to discuss it with the Committee once I have the appropriate knowledge.

#### POPULATION AND HOUSING CENSUS

1. What is the role of the census in our society?

Every ten years the census provides all the Nation's government units, down to the smallest, with socioeconomic information equivalent to the information that surveys provide annually for the Nation as a whole. As The 1990 census recently demonstrated, National profiles mask a wide range of local variation. A simple example: in 1990 only one State had a racial and ethnic origin profile that matched that Nation's; the others had profiles that differed significantly from one another as well as from the Nation. Consequently, the decennial census provides State and local governments, as well as the Federal Government, with the data they need for making important decisions. As such, the census is a fundamental component of the infrastructure our society has developed to govern itself.

2. How do you plan to involve a wide range of citizens in the discussion of changing the census?

Involving a wide range of citizens requires developing a plan that includes a variety of information channels, appropriate for different levels of interest. At one end of the scale, it is important to involve those who are intensely interested in the census early in the decision-making process-advisory committees are a good way to foster this involvement, if the right people have been identified and agree to participate. At the other end of the scale, it is important that average citizens understand important changes as census-taking time nears and their interest can be aroused.

Involving all audiences fully requires informing them in terms that they understand, and in ways that meet their needs. For instance, the town meetings that preceded the 1990 census involved few, if any business people because they took up most of a work-day. In other words, people only hear messages on their terms—understanding what those terms are will probably require testing.

3. What proportion of nonresponse households will be sampled for follow-up in the 1995 test? What criteria will you use for evaluating sampling for nonresponse follow-up? If sampling for nonresponse is used in the 2000 Census, how will you determine the sampling fraction? Can you assure the public that budget considerations will not reduce that fraction?

Although I have been following the 2000 Census research and testing efforts with interest, I am not sufficiently familiar with the specifics to respond to your question at this time. This seems like a good subject for early consultation with the Committee.

4. What methods for nonresponse follow-up, other than sampling, are you testing in 1995? Would any of these allow the Census Bureau to reduce the nonresponse households to be sampled to less than 10 percent? Less than 20 percent?

Again, I would be happy to discuss these questions with the Committee as soon as I acquire the appropriate knowledge.

5. Some proposals will eliminate small area data from the 2000 Census. How do you intend to evaluate the impact of such a proposal?

As my answer to Question I above indicates, my goal would be that changes in the census should not make any areas worse off with respect to data they need than they are under the current procedures.

6. What methods, other than continuous measurement, are you considering that would increase the quality of small area data? How will you evaluate those methods?

I understand that the Census Bureau is working hard to improve the geographical underpinnings of the census. An important task is to facilitate the participation of local government officials in making sure that all housing units are included in the Master Address File.

7. Irrespective of the activities at the Office of Management and Budget (OMB), how do you plan to change the measurement race and ethnicity in the 2000 Census?

It is important to encourage Americans of each race and ethnic origin that the government wishes to measure to answer these questions on the census appropriately. In 1990, for example, a large proportion of Hispanics reported themselves as "other" race. Improving the reporting of race and ethnicity requires testing the wording and order of questions, with consultation from minority advisory groups. These groups, which have already been constituted for the 2000 census, also advise on how other aspects of census-taking might be improved to facilitate accurate reporting by their members.

8. Following the 1990 census, the Census Bureau indicated that population counts adjusted by the post-enumeration survey were more accurate than the census only Nationally and for some States. Will any proposed adjustment to the 2000 Census make the population counts more accurate at all levels of geography? If not, how do you justify dismissing this criteria?

For the public to understand and agree with the use of statistical techniques to improve the accuracy of the census, it is important that these techniques be suitable at the relevant levels of geography.

9. The majority of research dollars for the 2000 Census have been spent on questionnaire tests. Relatively little has been spent on methodological research to improve the enumeration of hard to enumerate populations. Will you reallocate resources to provide for more methodological research to improve the enumeration of hard to enumerate populations?

It is my impression that the bureau has prioritized its research funds according to the amount of research time available before the next census. Researching the effectiveness of different questionnaire designs took early priority since some people seemed to blame the questionnaire, especially the long questionnaire, for the high cost of the 1990 census that was attributable to a lower than expected mailback rate. It was important to verify or disprove this belief in time to research other ways to make the next census yield a full array of socio-economic data for government purposes. I believe that this research has been concluded in time to research cost-effective ways to improve the enumeration of hard-to-enumerate populations.

10. What is your reaction to current proposals to move content from the decennial census to alternative data collection vehicles? On what basis should those proposals be judged?

I feel that the ultimate criteria for judging such proposals is meeting governmental needs. Unless there are significant improvements in costs, no alternative proposal should leave governmental units worse off in terms of data.

11. Do you believe that undocumented residents should be included in the decennial census count? Should American citizens living overseas be counted?

Since the fundamental use of the census is to govern, I believe that it should measure the full population subject to governmental concern. To that end, it is important to identify characteristics such as citizenship or residential location which might affect government policies.

12. Are you confident that the Census Bureau has planned evaluations of the 1995 Census Test that will provide the most useful information on which to base critical decisions about the design of the 2000 census? If not, how would you modify those evaluations to ensure sound justifications for design and operational decisions?

I am not yet familiar with the evaluations the Census Bureau has planned, but I feel that it is important to have those evaluations assessed by an independent body of outsiders, such as experts convened by the National Academy of Sciences.

13. For the 2000 census the Census Bureau is considering several methods for adjustment including Census Plus and Super Census. What is the difference between the two?

I am not sufficiently familiar with the procedures you refer to describe the differences.

14. Do you think either of these methods will improve the distributive accuracy of the 2000 census for substate areas?

I am not able to answer that question at this time, but I think it is important to be able to explain any proposed changes to stakeholders in terms that will inspire confidence in census methodology.

#### ECONOMIC PROGRAMS

1. What can the Census Bureau do to improve the measurement of exports? What efficiencies in current programs can be affected in order to support these improvements?

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Exports are a growing part of our Nation's economy, and I would be happy to work with interested members of the Committee on ways for the Census Bureau to measure exports better.

2. The Census Bureau has had limited success in obtaining Congressional approval for budget increases to improve economic statistics. Do you think that the Bureau should continue to request these types of increases in the current budget climate? Would you look more aggressively for savings in other areas before asking for increases? What would you do to convince Congress to fund these initiatives?

I think it is important for the Census Bureau to make a clear presentation of how its economic statistics currently benefit policy making. I also think it is important to increase productivity in producing these statistics. One way to do this is to reprioritize the array of statistics currently produced, according to current user needs.

3. Some experimentation on providing access to the Longitudinal Research Data file (the Ruggles file) has gone on at the Boston Regional Office. What was the result of that effort? Are there plans to expand this type of access to the LRD? Are there plans to extend this access model to other data sets in the economic or demographic areas?

I am unfamiliar with the results of the Boston experience, and I am not sure that enough time has passed to assess this experience adequately. However, I am very enthusiastic about the LRD and its potential for contributing to policy making through increasing our knowledge of the microeconomic foundations of macroeconomic activity. The position of Associate Director with responsibility for the bureau's economic statistics is currently vacant, and should, I believe, be filled by an individual who is capable of guiding this new resource to its fullest realization.

4. What was the lag between collection and publication for the last economic censuses? What is your goal for this lag in the next economic censuses? What work is being done to improve the timeliness of data from the economic census?

My understanding is that the bureau made progress in closing the lag between the collection and publication of the last economic censuses, compared to previous censuses. However, there is always room for improvement, and that is particularly true for this data set, as business users are rarely interested in statistics that do not bear a current date. That said, I also feel that the dating of these censuses is confusing to data users, since normal practice is to give a census the date of the year in which it is undertaken, rather than the previous year, as is the case with the economic censuses. This confusion has exacerbated user impatience with data dissemination from these censuses.

5. At what stage is the planning process for the next economic censuses? What methodological research has been completed and what remains to be conducted?

I have not been briefed about the economic censuses, but would be happy to arrange such a briefing for the Committee as soon as possible.

6. What work is being done to facilitate electronic submission of information for corporations or mandatory surveys and censuses?

This is a very interesting possibility, and I look forward to supporting efforts to move in this direction. Again, I would be happy to arrange a briefing for the Committee as soon as possible.

7. What are the current plans for revising the Standard Industrial Classification system? Is this activity on time? Has the Census Bureau consulted with other agencies to determine the timing meets their needs?

I am not sufficiently familiar with these plans to respond to the question at this time, but will be glad to bring the Committee up to date on this activity. This updating is an important aspect of maintaining the statistical infrastructure.

#### SURVEYS

1. Does SWP receive priority over the March CPS Supplement for major investments to develop improved income measures? If not, what will you do to implement the NAS recommendation?

The demand for income measures is widespread, and the forces that determine their nature are increasingly varied. I believe that the Census Bureau will meet these demands in an optimum way if it focuses its efforts at improving income measures on customer needs. SIPP may well be a good vehicle for this focus, since it is not a single customer survey as the CPS is. It is my impression that a customer focus for SIPP could be enhanced if accountability to the customers were less diffuse. Consequently, I intend to implement the NAS recommendation of appointing a single individual as manager for this survey.

2. Over the past 40 years there have been considerable advances in the field of survey methodology. This has considerably reduced the cost of surveys and increased the reliability of the information collected. How does the cost per case for Census Bureau surveys compare to other survey organizations like NORC, the University of Michigan, or Gallup?

I am very interested in the answer to this question, and intend to charge someone with discovering it.

3. How has the cost per case at the Census Bureau changed over the past thirty-five years? How do those costs compare if you exclude CATI?

Again, this is information that we should have and getting it should be a part of the project I mention in Question 2 above.

4. The NAS panel recommended that the Census Bureau establish a senior-level project director for income surveys. What will you do to assure that this recommendation is implemented? What do you see as the first order priorities for that position?

As I stated in my response to Question 1 above, I intend to appoint such a person. The first order of priorities for that position, as I see them, are to identify the benefits SIPP is currently providing and to assess, with the customers of these benefits, how well it is doing and how it can do better.

5. What research is underway or planned on the effect of CAMPICATI on data quality?

I am not familiar with this research, but would be happy to brief the Committee on it as soon as possible.

#### NEW INITIATIVES

1. At what point in the development of new programs or data requirements should the Census Bureau get involved? What will you do to assure that the Census Bureau gets involved at the appropriate time?

It is my belief that the Census Bureau should monitor the development of new programs or data requirements as a matter of practice, and identify an appropriate point to propose involving itself. The bureau currently has an office of policy development, and this seems an appropriate task for that office.

2. The Census Bureau sometimes releases data from the census or a survey that uses a different definition than is traditionally used? For example, unemployment measured in the census would be quite different than that measured by the Bureau of Labor Statistics. Do you think this is appropriate? If so, what should be done to make users aware that this series is different from others by the same name?

There are many differences between collection activities that yield different measures. For instance, a particular item might be defined exactly the same on the census and a survey, but still differ because the census is largely self-enumerated while the survey features trained interviewers. It would be overly rigid to restrict a given measure to a particular collection effort, so differences will always exist. This makes it important to ensure that the user knows which data collection effort produced a given item, and what the characteristics of that effort are—not just definitions but methodology, periodicity, universe, and so on. It is also important to maintain and enhance the support census staff give data users, such as access to subject matter specialists.

3. The Census Bureau sometimes publishes the same statistical measure, like the distribution of income, from different surveys. Those measures often and quite different. What is the Census Bureau's responsibility to identify these differences and put them into a context where even the neophyte user will be aware that there is more than one measure of a phenomenon, and that the measures will differ?

One way to identify these differences is to use descriptive names, like "money income," "earned income," "usual weekly income," and so on, to the extent possible. However, most nonstatistical users are impatient with these distinctions, as well as with explanation of them—they just want "income" statistics. They begin to appreciate these differences as they work more intensively with the statistics, for instance if their use of the figures is challenged. It is important for the bureau to use careful terminology, and to make it user-friendly to the greatest degree consistent with accuracy. Beyond that, it is important to be responsive to neophyte users and to help them in their learning process.



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